

27 January 2020

Postal Regulatory Commission  
901 New York Avenue NW, Suite 200  
Washington, DC 202684001

RE: Docket Number: RM2017-3

Dear Commissioners:

I am writing on behalf of Special Olympics and our million strong athletes with intellectual disabilities that we serve in the United States in response to your proposal as a part of the Ten-Year Rate Review process to remove the Consumer Price Index (CPI) cap that now governs postage rates. The new formula proposed represent potential volatile postage price hikes that range from 28% - 40% or more over the next five years. We strenuously oppose this action, strongly urge you to reconsider this decision and want to tell you why.

The mission of Special Olympics is to provide year-round sports training and athletic competition in a variety of Olympic-type sports for children and adults with intellectual disabilities, giving them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in a sharing of gifts, skills and friendship with their families, other Special Olympics athletes and the community. As a nonprofit mailer, direct mail is a critical component of our fundraising program, which allows us to generate unrestricted funds for the organization so that we can provide sports training and provide important and essential health screenings for our athletes. Last year, over 80% of the money raised for Special Olympics was done through our direct mail program. In fact, our direct mail program is the largest program in which we bring in funds into our organization.

If the CPI capped rate making system were to change to the new proposed system the USPS is contemplating, the consequence our constituents will ultimately bear is tangible. A postage increase of this size would add tremendous cost to our budgets and therefore drastically impact the money we bring in order to provide year-round sports training and competitions and provide essential health screenings to our athletes. The joy, confidence and fulfillment that our athletes feel when they participate within Special Olympics would also diminish.

We believe the instability in postage costs presents an opportunity for our program to become overwhelmed and unsustainable. We have invested time and money to develop a mail fundraising program that meets current standards, is fiscally sound and is prepared for modest price increases. In 2019, our organization spent more than \$6.3 million in postage costs. We have relied on the Postal Service's CPI capped rate increases to balance our fundraising budget and to plan for stability in the future. The sudden rate hikes that this rule change could represent would cripple our mailing programs. The USPS says it is our partner, but springing a wholesale and drastic change such as contemplated here does not demonstrate collaboration. It is not how partners treat each other.

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In the short run, and most likely the long run, we would suffer substantial lost revenue and a consequential loss of resources for our programs and those we serve. Unpredictable rate increases would lead to a further migration from mail to alternative means of fundraising and membership development. In terms of our fundraising mix, hard-copy USPS mail outperforms many digital options. Direct mail is a powerful fundraising tool, and we want to continue to utilize this tool in the future. We, like other nonprofit mailers, have long relied on our partnership with the Postal Service. We urge you to justify our reliance by declining to move this proposal any further.

Sincerely,

A handwritten signature in dark ink, appearing to read "Monica Muten". The signature is fluid and cursive, with the first name "Monica" being more prominent than the last name "Muten".

Monica Muten

Special Olympics

Director of Direct Response Marketing

1133 19<sup>th</sup> Street, NW

Washington, DC 20036